



**City of Saint Paul**

*Randy C. Kelly, Mayor*

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Saint Paul, Minnesota 55102-1658*

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December 12, 2003

Council President Dan Bostrom, and  
City Councilmembers  
3<sup>rd</sup> Floor City Hall  
15 West Kellogg Boulevard  
St. Paul, MN 55102

Subject: Material for the December 17<sup>th</sup> Budget Meeting

Dear Council President Bostrom and City Councilmembers:

The attached material has been prepared for your use as background, and will be used by presenters at next Wednesday's meeting. Please bring this packet and the December 10<sup>th</sup> packet with you to the meeting. The agenda is:

- I. Financial Services Office - Year 2005 Budget Projections Based on 12-10-03 Tentative 2004 Budget Decisions. (Matt Smith)

Please see page 3.

- II. Discussion / Decisions On Remaining 2004 Budget Issues: (City Council).
  - A) Rice Street Main Street Program
  - B) Rice Street Police Store Front Station Lease
  - C) F.S.O. Technical Amendment - Identify \$18,000 In Revenues To Balance Budget
- III. District Council Budgets: Determine Plan To Develop New Formula To Allocate City Funding (City Council)
- IV. Review of Resolutions To Adopt 2004 Budgets and Certify Final Property Tax Levies.  
Resolutions to be acted upon at 12-17-03 regular City Council meeting. (Matt Smith)

The Property Tax Levy Resolution is attached as pages 4 and 5. The other resolutions were included in the December 10<sup>th</sup> packet.

- V. Recognize the Financial Services Office and the Staff of the City Departments and Offices for their quality responses to the questions and issues raised by the City Council during the review, deliberation and adoption process for the Year 2004 budgets for the City of Saint Paul, the Saint Paul Housing and Redevelopment Authority, the Saint Paul Regional Water Services, the Saint Paul RiverCentre, and the Saint Paul Public Library Agency.

Cordially,  
  
Matt Smith  
Director

cc: Dennis Flaherty, Deputy Mayor  
Greg Blees, City Council Fiscal Policy Director  
Budget Analysts  
Department Directors

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**2005 Budget Projection**

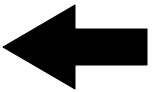
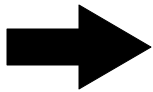
City of Saint Paul

**12/10/03 REVISED**

	<u>General Fund</u>	<u>Debt Service Funds</u>	<u>Library Agency</u>	<u>Total</u>	<u>Total Contribution to Gap</u>
<b>2004 Mayor Proposed Budget</b>	154,343,497	56,482,348	16,218,235	227,044,080	
<b>Revenue Changes</b> (negative numbers represent decreasing revenues)					
Local Government Aid	(3,605,894)	N/A	(482,421)	(4,088,315)	4,088,315
Property Taxes Levied	TBD	TBD	TBD	-	-
1/2 cent Sales Tax Receipts (project balances)	-	(2,141,948)	-	(2,141,948)	2,141,948
Fund Balance Budgeted	(5,844,853)	(384,999)	(82,780)	(6,312,632)	6,312,632
Other Revenue Changes	-	(387,200)	-	(387,200)	387,200
Total Revenue Changes	(9,450,747)	(2,914,147)	(565,201)	(12,930,095)	12,930,095
<b>Spending Pressures</b> (positive numbers represent increased costs)					
Employee Total Compensation if 3% overall increase	3,681,852	5,860	272,946	3,960,658	3,960,658
Purchased Goods and Services if 2% overall increase	505,861	2,770	90,635	599,266	599,266
Costs for facilities and programs (includes one-time adjustments)	754,300	317,846	408,986	1,481,132	1,481,132
Total Spending Changes	4,942,013	326,476	772,567	6,041,056	6,041,056
<b>Year 2005: Mayor Proposed 2004 plus Spending Pressures</b>	159,285,510	56,808,824	16,990,802	233,085,136	
<b>Year 2005 Projected Financing</b>	144,892,750	53,568,201	15,653,034	214,113,985	
<b>Year 2005 Gap Estimate - August 25, 2003</b>	(14,392,760)	(3,240,623)	(1,337,768)	(18,971,151)	<b>18,971,151</b>
<b>Additional Revenue Changes</b> (negative numbers represent decreasing revenues)					
	-	-	-	-	-
Total Revenue Changes	-	-	-	-	-
<b>Additional Spending Pressures</b> (positive numbers represent increased costs)					
Principal payment/Sub. Year for 2004 bonds		903,607		903,607	
City Council Director if 3% overall increase	133,900			133,900	
Wkr's Comp Administrator if 3% overall increase	89,610			89,610	
Library Bond 2004 bond issue			(53,546)	(53,546)	
Total Spending Changes	223,510	903,607	(53,546)	1,073,571	1,073,571
<b>Year 2005 Gap Estimate plus 2005 Council decisions</b>	(14,616,270)	(4,144,230)	(1,284,222)	(20,044,722)	<b>20,044,722</b>

Source: Office of Financial Services

2005 Projection.xls



<b>Department/office/council:</b> FS –Financial Services	<b>Date Initiated:</b> 05-DEC-03	<h2 style="margin: 0;">Green Sheet NO: 3008796</h2>			
<b>Contact Person &amp; Phone:</b> Peter Butler 6-8547	 <b>Assign Number For Routing Order</b>	0	Financial Services		
<b>Must Be on Council Agenda by (Date):</b> 10-DEC-03		1	Financial Services	Department Director	
		2	City Attorney		
		3	Mayor's Office	Mayor/Assistant	
		4	Council		
		5	City Clerk	City Clerk	

**Total # of Signature Pages** \_\_\_\_ (Clip All Locations for Signature)

**Action Requested:**  
 Approval of Council Resolution adopting the 2004 annual tax levy.

Recommendations: Approve (A) or Reject (R): _____ Planning Commission _____ CIB Committee _____ Civil Service Commission _____ _____ _____ _____	<b>Personal Service Contracts Must Answer the Following Questions:</b>  1. Has this person/firm ever worked under a contract for this department? Yes    No  2. Has this person/firm ever been a city employee? Yes    No  3. Does this person/firm possess a skill not normally possessed by any current city employee? Yes    No <b>Explain all yes answers on separate sheet and attach to green sheet</b>
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**Initiating Problem, Issues, Opportunity (Who, What, When, Where, Why):**  
 State law requires the City of Saint Paul to certify the annual tax levy.

**Advantages If Approved:**  
 The City will be in compliance with City Charter and State law.

**Disadvantages If Approved:**  
 None.

**Disadvantages If Not Approved:**  
 The City will not have an approved tax levy for payable 2004.

<b>Total Amount of Transaction:</b>  <b>Funding Source:</b>  <b>Financial Information:</b> (Explain)	<b>Cost/Revenue Budgeted:</b>  <b>Activity Number:</b>
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**RESOLUTION**  
**CITY OF SAINT PAUL, MINNESOTA**

Presented By: \_\_\_\_\_

Referred To: \_\_\_\_\_ Committee: \_\_\_\_\_ Date: \_\_\_\_\_

1  
2 WHEREAS, the Mayor, pursuant to the City Charter has proposed and recommended the 2004 budgets for the City of Saint  
3 Paul, and  
4  
5 WHEREAS, the proposed 2004 General and General Debt Service budgets have been reviewed and approved or amended by  
6 Council, and  
7  
8 WHEREAS, the City is required under Laws of Minnesota 2002, Chapter 390, Sec. 37, to levy a tax at the Library Board's  
9 request, which the Library Board has made, and  
10  
11 WHEREAS, the property tax levy needed to finance those budgets, with allowance for shrinkage, has been determined, and  
12  
13 WHEREAS, the Port Authority of the City of Saint Paul requests a property tax levy to finance economic development  
14 budgets under laws of Minnesota, Chapters 469.053 subd 4, and 6,  
15  
16 NOW THEREFORE BE IT RESOLVED, the City Council in anticipation of adopting General Fund, General Debt Service, and Library  
17 Agency budgets for the fiscal year 2004 in accordance with section 11.04 of the City Charter, the City Council does hereby  
18 levy taxes on all taxable property within the Saint Paul corporate limits, to be collected in the amounts set forth below, and  
19  
20 BE IT FURTHER RESOLVED, the City Council directs the City Clerk to forward this resolution to the Ramsey County  
21 Department of Taxation in accordance with the applicable provisions of the City Charter and other laws, and  
22  
23 BE IT FURTHER RESOLVED, the City Council directs the Financial Services Office to complete and forward any state forms  
24 required identifying these adopted levies;  
25  
26  
27

<u>Description</u>	<u>Tax Levy Payable in 2003</u>	<u>Tax Levy Payable in 2004</u>	<u>% Change</u>
City levy for city operations and shrinkage	43,554,868	42,427,358	-2.59%
City levy for Debt Service and shrinkage	18,838,395	10,262,898	-45.52%
City levy for Library Agency operations and shrinkage	0	9,855,007	Not. Appl.
City levy for Port Authority levy per Mn. Stat. 469.053	<u>1,450,000</u>	<u>1,382,000</u>	-4.69%
	63,843,263	63,927,263	0.13%

Requested by Department of:

Executive Administration

By: Matt Smith

Approval Recommended by Director of Financial Services

By: \_\_\_\_\_

Form Approved by City Attorney:

By: \_\_\_\_\_

Approved by Mayor for Submission to Council:

By: \_\_\_\_\_

	<u>Yeas</u>	<u>Nays</u>	<u>Absent</u>
<u>Benanav</u>			
<u>Blakey</u>			
<u>Bostrom</u>			
<u>Coleman</u>			
<u>Harris</u>			
<u>Helgen</u>			
<u>Lantry</u>			

Adopted by Council: Date \_\_\_\_\_

Adoption Certified by Council Secretary:

By: \_\_\_\_\_

Approved by Mayor: Date \_\_\_\_\_

By: \_\_\_\_\_